

FILED - LN

September 30, 2011 3:22 PM
TRACEY CORDES, CLERK
U.S. DISTRICT COURT
WESTERN DISTRICT OF MICHIGAN
BY lk / 10/2/11 SCANNED BY lk / 10/2/11

**UNITED STATES OF AMERICA
FOR THE WESTERN DISTRICT OF MICHIGAN**

**UNITED STATES and
The STATE OF MICHIGAN *ex rel*,**

**Tolga Kurt, M.D. and
Amber West**

Plaintiff/Relator,

1:11-cv-1051

**Paul L. Maloney, Chief Judge
United States District Court**

v.

**Lakeshore Spine and Pain, P.C.;
Mission Physical Therapy, Inc.;
U.S. Rehab Services, P.C.;
U.S. Rehabilitation Services, Inc.;
Babubhai Rathod;
Shaila Rathod; and
Abid Agha, M.D.**

Defendants.

DISCLOSURE STATEMENT OF Tolga Kurt, M.D.

NOW COMES, Tolga Kurt, M.D., and states that the following facts are true and correct and are based upon his personal knowledge:

1. I began employment with Lakeshore Spine and Pain, P.C. on October 5, 2010, as a physician.
2. As a physician I am responsible for assessing, diagnosing and treating patients.
3. Lakeshore Spine and Pain, P.C., is a highly specialized medical company providing treatment to patients with pain and disability, both chronic and traumatically induced,

and conducts business throughout the State of Michigan.

5. It is my understanding that the Medicaid program permits a medical provider to bill Medicaid directly for medical treatment and therapy services.

6. It is my understanding that a Certificate of Medical Necessity is required for reimbursement for such treatment, and that certain portions are completed by the medical provider while other portions must be completed by the physician.

7. During the course of my employment with Lakeshore Spine and Pain, P.C., I have personally observed a continuous, on-going, and pervasive scheme to increase billings to Medicare and Medicaid, for example:

- a. Whenever I see a patient, I complete a "Billing Procedure Code", specifying the nature of the service provided.
- b. Lakeshore Spine and Pain, P.C., routinely changes the billing codes, such that it overcharges for virtually every service I perform.
- c. Lakeshore Spine and Pain, P.C., and its affiliates, routinely pay kickback and referral fees to both employed and independent medical professionals.
- d. On numerous occasions, I have been paid referral fees for referring patients to Drs. Bruma and Agha for EMG testing.
- e. Both Drs. Bruma and Agha are Lakeshore employees, but I am not permitted to refer patients to any other EMG providers.
- f. I have been paid referral fees for referrals to U.S. Rehab Services, P.C., and its affiliates, all of which are entities controlled by Babubhai "Bob" Rathod, the de facto owner of Lakeshore Spine and Pain, P.C. I am not permitted to refer to any other rehabilitation providers.

g. The checks issued by Lakeshore Spine and Pain, P.C. for these referrals are noted as payments for “mileage”, but I have no occasion to use my personal vehicle for work.

h. All medical professionals employed by Lakeshore Spine and Pain, P.C. who make referrals are similarly compensated.

i. Lakeshore Spine and Pain, P.C. and its affiliates also pay kick back fees to medical professionals who are not employed by it, including both physicians and physicians’ assistants.

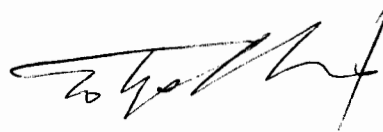
j. The referral and kick back fees paid are determined by the type of service and frequency of referral.

8. I voiced my concerns to the management of Lakeshore Spine and Pain, P.C., and was assured that I need not be concerned because the entity was incorporated and none of the employees could be held personally liable. To the best of my knowledge, the offensive practices continue to this day and are pervasive throughout Lakeshore Spine and Pain, P.C., and all of its related entities.

9. On information and belief, these billing practices have resulted in a substantial overcharge to the Medicare and Medicaid Programs because the Government has provided payments for services at inflated charges, and has paid for services tainted by unlawful kick back and referral payments.

FURTHER AFFIANT SAYETH NOT,

Dated: September 14, 2011



Tolga Kurt, M.D.

STATE OF MICHIGAN)
)ss
COUNTY OF GRATIOT)

Subscribed and sworn to before me this 14th day of September 2011, by Tolga Kurt,
M.D.

A handwritten signature in black ink, appearing to read 'CM Fortino', written over a horizontal line.

Charles M. Fortino, Notary Public
Gratiot County, Michigan
My Commission Expires: 07/08/2012
Acting in Gratiot County